

Executive Summary – Enforcement Matter – Case No. 50627

Houston Refining LP

RN100218130

Docket No. 2015-0838-AIR-E

Order Type:

Findings Agreed Order

Findings Order Justification:

Unauthorized emissions which are excessive emissions events.

Media:

AIR

Small Business:

No

Location(s) Where Violation(s) Occurred:

Houston Refining, 12000 Lawndale Street, Houston, Harris County

Type of Operation:

Petroleum refining plant

Other Significant Matters:

Additional Pending Enforcement Actions: Yes, Docket No. 2015-0454-AIR-E

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: None

Texas Register Publication Date: October 2, 2015

Comments Received: No

Penalty Information

Total Penalty Assessed: \$100,000

Amount Deferred for Expedited Settlement: \$0

Amount Deferred for Financial Inability to Pay: \$0

Total Paid to General Revenue: \$50,000

Total Due to General Revenue: \$0

Payment Plan: N/A

Supplemental Environmental Project ("SEP") Conditional Offset: \$50,000

Name of SEP: Texas City Independent School District (Third-Party Pre-Approved)

Compliance History Classifications:

Person/CN - Satisfactory

Site/RN - Satisfactory

Major Source: Yes

Statutory Limit Adjustment: \$100,000

Applicable Penalty Policy: April 2014

Investigation Information

Complaint Date(s): N/A

Complaint Information: N/A

Date(s) of Investigation: November 13, 2014

Date(s) of NOE(s): May 15, 2015

Executive Summary – Enforcement Matter – Case No. 50627

Houston Refining LP

RN100218130

Docket No. 2015-0838-AIR-E

Violation Information

Failed to prevent unauthorized emissions. The emissions event was determined to be an excessive emissions event [30 TEX. ADMIN. CODE §§ 101.20(3), 116.715(a), and 122.143(4), TEX. HEALTH & SAFETY CODE § 382.085(b), Federal Operating Permit No. O1372, Special Terms and Conditions No. 26, and Flexible Permit Nos. 2167 and PSDTX985, Special Conditions No. 1].

Corrective Actions/Technical Requirements

Corrective Action(s) Completed:

N/A

Technical Requirements:

1. The Order will require the Respondent to implement and complete a SEP (see SEP Attachment A).
2. The Order will also require the Respondent to:
 - a. Within 30 days, submit a corrective action plan (“CAP”) in accordance with the TCEQ letter dated May 15, 2015 to address the excessive emissions event that occurred on August 12, 2014 (Incident No. 202406);
 - b. Respond completely and adequately, as determined by the executive director, to all written requests for information concerning the CAP within 15 days after the date of such requests, or by any other deadline specified in writing;
 - c. Within 45 days, submit written certification to demonstrate compliance with a.;
 - d. Upon Commission approval, implement the CAP in accordance with the approved schedule; and
 - e. Within 15 days upon completion of the CAP implementation, submit written certification to demonstrate compliance with d.

Litigation Information

Date Petition(s) Filed: N/A

Date Answer(s) Filed: N/A

SOAH Referral Date: N/A

Hearing Date(s): N/A

Settlement Date: N/A

Executive Summary – Enforcement Matter – Case No. 50627
Houston Refining LP
RN100218130
Docket No. 2015-0838-AIR-E

Contact Information

TCEQ Attorney: N/A

TCEQ Enforcement Coordinator: Amancio R. Gutierrez, Enforcement Division, Enforcement Team 5, MC 149, (512) 239-3921; Candy Garrett, Enforcement Division, MC 219, (512) 239-1456

TCEQ SEP Coordinator: Stuart Beckley, SEP Coordinator, Enforcement Division, MC 219, (512) 239-3565

Respondent: Greg Nevermann, Refinery Manager, Houston Refining LP, 12000 Lawndale Street, Houston, Texas 77017

Bob Gardner, Environmental Consulting Engineer, Houston Refining LP, 12000 Lawndale Street, Houston, Texas 77017

Respondent's Attorney: N/A

Attachment A
Docket Number: 2015-0838-AIR-E
SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent:	Houston Refining LP
Penalty Amount:	One Hundred Thousand Dollars (\$100,000)
SEP Offset Amount:	Fifty Thousand Dollars (\$50,000)
Type of SEP:	Contribution to a Third-Party Pre-Approved SEP
Third-Party Administrator:	Texas City Independent School District
Project Name:	<i>TCISD Alternative Fuel School Bus Program</i>
Location of SEP:	Houston-Galveston Airshed

The Texas Commission on Environmental Quality ("TCEQ") agrees to offset a portion of the administrative penalty amount assessed in this Agreed Order for the Respondent to contribute to a Supplemental Environmental Project ("SEP"). The offset is equal to the SEP Offset Amount set forth above and is conditioned upon completion of the project in accordance with the terms of this Attachment A.

1. Project Description

a. Project

The Respondent shall contribute the SEP Offset Amount to the Third-Party Administrator named above. The contribution will be to the **Texas City Independent School District** for the *TCISD Alternative Fuel School Bus Program* project. The contribution will be used in accordance with the SEP between the Third-Party Administrator and the TCEQ (the "Project"). Specifically, the SEP Offset Amount will be used to purchase lower-emission propane fueled school buses that are model year 2010 or newer ("Replacement Bus(es)") to replace buses currently in the fleet that are model year 2006 or older ("Older Bus(es)"). The Older Buses will then be decommissioned, thus permanently removing them from the roads. The SEP Offset Amount shall only be used for the purchase of a base model propane fueled Replacement Bus. The Third-Party Administrator shall own and operate each Replacement Bus for at least five years following the date of purchase.

The Third-Party Administrator shall give preference to replacing the oldest, most polluting buses within its fleet. Only Older Buses that are currently in regular use, driven on a regular route on a weekly basis for at least the past two years are eligible for replacement.

The Third-Party Administrator shall ensure that each Replacement Bus purchased has an engine that meets the Environmental Protection Agency's 2010 emissions standards. Additionally, all Older Buses that are replaced shall be fully decommissioned as required

Houston Refining LP
Agreed Order - Attachment A

in the SEP Vehicle Disposition Form. All funds received for the scrap value of the Older Bus shall be deposited into the SEP Account and become part of the SEP. The SEP will be done in accordance with all federal, state, and local environmental laws and regulations.

All dollars contributed will be used solely for the direct cost of implementing the Project, including, but not limited to supplies, materials, and equipment. Any portion of this contribution that is not spent on the specifically identified SEP may, at the discretion of the Executive Director ("ED"), be applied to another pre-approved SEP.

The Respondent's signature affixed to this Agreed Order certifies that the Respondent has no prior commitment to make this contribution and that it is being contributed solely in an effort to settle this enforcement action. The Respondent shall not profit in any manner from this SEP.

b. Environmental Benefit

The Project will directly benefit air quality in Third-Party Administrator's region by reducing harmful exhaust emissions from older school buses by replacing them with lower-emission propane buses. Older school bus engines emit greater amounts of harmful pollutants such as nitrous oxides, particulate matter, volatile organic compounds, and carbon monoxide than newer, lower-emission buses. These pollutants contribute to the formation of ground level ozone which damages vegetation and ecosystems and may cause or exacerbate a number of respiratory diseases, including asthma, especially in children.

c. Minimum Expenditure

The Respondent shall contribute at least the SEP Offset Amount to the Third-Party Administrator and comply with all other provisions of this SEP.

2. Performance Schedule

Within 30 days after the effective date of this Agreed Order, the Respondent must contribute the SEP Offset Amount to the Third-Party Administrator. The Respondent shall make the check payable to **Texas City Independent School District SEP** and shall mail the contribution with a copy of the Agreed Order to:

Texas City Independent School District SEP
Attention: John Johnson, Consultant
2901 Turtle Creek Drive, Suite 445
Port Arthur, Texas 77642

3. Records and Reporting

Concurrent with the payment of the SEP Offset Amount, the Respondent shall provide the Enforcement SEP Coordinator with a copy of the check and transmittal letter indicating full payment of the SEP Offset Amount to the Third-Party Administrator. The Respondent shall mail a copy of the check and transmittal letter to:

Texas Commission on Environmental Quality
Enforcement Division
Attention: SEP Coordinator, MC 219
P.O. Box 13087
Austin, Texas 78711-3087

4. Failure to Fully Perform

If the Respondent does not perform its obligations under this Attachment A, including full expenditure of the SEP Offset Amount and submittal of the required reporting described in Sections 2 and 3 above, the ED may require immediate payment of all or part of the SEP Offset Amount.

In the event the ED determines that the Respondent failed to fully implement and complete the Project, the Respondent shall remit payment for all or a portion of the SEP Offset Amount, as determined by the ED, and as set forth in the attached Agreed Order. After receiving notice of failure to complete the SEP, the Respondent shall include the docket number of the attached Agreed Order and a note that the enclosed payment is for the reimbursement of a SEP, shall make the check payable to "Texas Commission on Environmental Quality", and shall mail it to:

Texas Commission on Environmental Quality
Litigation Division
Attention: SEP Coordinator, MC 175
P.O. Box 13087
Austin, Texas 78711-3087

5. Publicity

Any public statements concerning this SEP and/or project, made by or on behalf of the Respondent must include a clear statement that **the project was performed as part of the settlement of an enforcement action brought by the TCEQ**. Such statements include advertising, public relations, and press releases.

6. Recognition

The Respondent may not seek recognition for this contribution in any other state or federal regulatory program.

7. Other SEPs by TCEQ or Other Agencies

The SEP Offset Amount identified in this Attachment A and in the attached Agreed Order has not been, and shall not be, included as a SEP for the Respondent under any other Agreed Order negotiated with the TCEQ or any other agency of the state or federal government.



Penalty Calculation Worksheet (PCW)

Policy Revision 4 (April 2014)

PCW Revision March 26, 2014

DATES	Assigned	18-May-2015	Screening	28-May-2015	EPA Due	
	PCW	28-May-2015				

RESPONDENT/FACILITY INFORMATION			
Respondent	Houston Refining LP		
Reg. Ent. Ref. No.	RN100218130		
Facility/Site Region	12-Houston	Major/Minor Source	Major

CASE INFORMATION			
Enf./Case ID No.	50627	No. of Violations	1
Docket No.	2015-0838-AIR-E	Order Type	Findings
Media Program(s)	Air	Government/Non-Profit	No
Multi-Media		Enf. Coordinator	Amancio R. Gutierrez
		EC's Team	Enforcement Team 5
Admin. Penalty \$ Limit Minimum	\$0	Maximum	\$25,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties)	Subtotal 1	\$100,000
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ADJUSTMENTS (+/-) TO SUBTOTAL 1			
Subtotals 2-7 are obtained by multiplying the Total Base Penalty (Subtotal 1) by the indicated percentage.			
Compliance History	100.0%	Enhancement	Subtotals 2, 3, & 7
			\$100,000

Notes: Enhancement for two NOV's with same/similar violations, 10 orders with denial of liability, and two orders without denial of liability. Reduction for three notices of intent to conduct an audit and one disclosure of violations.

Culpability	No	0.0%	Enhancement	Subtotal 4	\$0
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Notes: The Respondent does not meet the culpability criteria.

Good Faith Effort to Comply Total Adjustments	Subtotal 5	\$0
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Economic Benefit	0.0%	Enhancement*	Subtotal 6	\$0
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Total EB Amounts \$1,668
Estimated Cost of Compliance \$25,000
*Capped at the Total EB \$ Amount

SUM OF SUBTOTALS 1-7	Final Subtotal	\$200,000
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OTHER FACTORS AS JUSTICE MAY REQUIRE	0.0%	Adjustment	\$0
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Reduces or enhances the Final Subtotal by the indicated percentage.

Notes:

Final Penalty Amount	\$200,000
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STATUTORY LIMIT ADJUSTMENT	Final Assessed Penalty	\$100,000
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DEFERRAL	0.0%	Reduction	Adjustment	\$0
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Reduces the Final Assessed Penalty by the indicated percentage. (Enter number only; e.g. 20 for 20% reduction.)

Notes:

No deferral is recommended for Findings Orders.

PAYABLE PENALTY	\$100,000
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Screening Date 28-May-2015

Docket No. 2015-0838-AIR-E

PCW

Respondent Houston Refining LP

Policy Revision 4 (April 2014)

Case ID No. 50627

PCW Revision March 26, 2014

Reg. Ent. Reference No. RN100218130

Media [Statute] Air

Enf. Coordinator Amancio R. Gutierrez

Compliance History Worksheet

>> Compliance History Site Enhancement (Subtotal 2)

Component	Number of...	Enter Number Here	Adjust.
NOVs	Written notices of violation ("NOVs") with same or similar violations as those in the current enforcement action (<i>number of NOVs meeting criteria</i>)	2	10%
	Other written NOVs	0	0%
Orders	Any agreed final enforcement orders containing a denial of liability (<i>number of orders meeting criteria</i>)	10	200%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	2	50%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (<i>number of judgments or consent decrees meeting criteria</i>)	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government (<i>number of counts</i>)	0	0%
Emissions	Chronic excessive emissions events (<i>number of events</i>)	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which notices were submitted</i>)	3	-3%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which violations were disclosed</i>)	1	-2%
Please Enter Yes or No			
Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

Adjustment Percentage (Subtotal 2) 255%

>> Repeat Violator (Subtotal 3)

No

Adjustment Percentage (Subtotal 3) 0%

>> Compliance History Person Classification (Subtotal 7)

Satisfactory Performer

Adjustment Percentage (Subtotal 7) 0%

>> Compliance History Summary

Compliance History Notes

Enhancement for two NOVs with same/similar violations, 10 orders with denial of liability, and two orders without denial of liability. Reduction for three notices of intent to conduct an audit and one disclosure of violations.

Total Compliance History Adjustment Percentage (Subtotals 2, 3, & 7) 255%

>> Final Compliance History Adjustment

Final Adjustment Percentage *capped at 100% 100%

Screening Date 28-May-2015

Docket No. 2015-0838-AIR-E

PCW

Respondent Houston Refining LP

Policy Revision 4 (April 2014)

Case ID No. 50627

PCW Revision March 26, 2014

Reg. Ent. Reference No. RN100218130

Media [Statute] Air

Enf. Coordinator Amancio R. Gutierrez

Violation Number 1

Rule Cite(s)

30 Tex. Admin. Code §§ 101.20(3), 116.715(a), and 122.143(4), Tex. Health & Safety Code § 382.085(b), Federal Operating Permit No. O1372, Special Terms and Conditions No. 26, and Flexible Permit Nos. 2167 and PSDTX985, Special Conditions No. 1

Violation Description

Failed to prevent unauthorized emissions. Specifically, the Respondent released 104,940 pounds ("lbs") of sulfur dioxide, 1,139 lbs of hydrogen sulfide, 130 lbs of nitrogen oxides, 661 lbs of carbon monoxide, 12 lbs of ethylene, 15 lbs of propylene, 11 lbs of butene, and 119 lbs of volatile organic compounds from the No. 1 Plant Flare, Emission Point No. 338K0001, during an emissions event (Incident No. 202406) that began on August 12, 2014 and lasted 82 hours. The emissions event occurred due to the malfunction of the 436PV0501 release regulator on the 436 Diethanolamine Phase Separator that allowed untreated gas to be released directly into the No. 1 Plant Flare header, resulting in flaring. This event was determined to be an excessive emissions event.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual	x		
Potential			

Percent 100.0%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0.0%

Matrix Notes

Human health or the environment has been exposed to pollutants which exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment \$0

\$25,000

Violation Events

Number of Violation Events 4

4 Number of violation days

mark only one
with an x

daily	x
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	

Violation Base Penalty \$100,000

Four daily events are recommended.

Good Faith Efforts to Comply

0.0%

Reduction \$0

Before NOE/NOV NOE/NOV to EDPRP/Settlement Offer

Extraordinary		
Ordinary		
N/A	x	(mark with x)

Notes

The Respondent does not meet the good faith criteria for this violation.

Violation Subtotal \$100,000

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$1,668

Violation Final Penalty Total \$200,000

This violation Final Assessed Penalty (adjusted for limits) \$100,000

Economic Benefit Worksheet

Respondent Houston Refining LP
Case ID No. 50627
Reg. Ent. Reference No. RN100218130
Media Air
Violation No. 1

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
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Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/Construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$25,000	12-Aug-2014	12-Dec-2015	1.33	\$1,668	n/a	\$1,668

Notes for DELAYED costs

Estimated cost to submit and implement a corrective action plan ("CAP"). The Date Required is the date the emissions event began and the Final Date is the estimated date of compliance.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/Equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$25,000

TOTAL

\$1,668

The TCEQ is committed to accessibility.

To request a more accessible version of this report, please contact the TCEQ Help Desk at (512) 239-4357.



TCEQ Compliance History Report

PUBLISHED Compliance History Report for CN601313083, RN100218130, Rating Year 2014 which includes Compliance History (CH) components from September 1, 2009, through August 31, 2014.

Customer, Respondent, CN601313083, Houston Refining LP

Classification: SATISFACTORY

Rating: 7.63

or Owner/Operator:

Regulated Entity: RN100218130, HOUSTON REFINING

Classification: SATISFACTORY

Rating: 7.63

Complexity Points: 50

Repeat Violator: NO

CH Group: 02 - Oil and Petroleum Refineries

Location: 12000 LAWDALE ST HOUSTON, TX 77017-2740, HARRIS COUNTY

TCEQ Region: REGION 12 - HOUSTON

ID Number(s):

AIR OPERATING PERMITS ACCOUNT NUMBER HG0048L

POLLUTION PREVENTION PLANNING ID NUMBER

P00404

AIR NEW SOURCE PERMITS PERMIT 2167

AIR NEW SOURCE PERMITS REGISTRATION 55719

AIR NEW SOURCE PERMITS EPA PERMIT PSDTX985

AIR NEW SOURCE PERMITS REGISTRATION 46595

AIR NEW SOURCE PERMITS REGISTRATION 87937

AIR NEW SOURCE PERMITS REGISTRATION 95583

AIR NEW SOURCE PERMITS REGISTRATION 102445

AIR NEW SOURCE PERMITS REGISTRATION 102539

AIR NEW SOURCE PERMITS REGISTRATION 102500

AIR NEW SOURCE PERMITS REGISTRATION 102533

AIR NEW SOURCE PERMITS REGISTRATION 102526

AIR NEW SOURCE PERMITS REGISTRATION 102448

AIR NEW SOURCE PERMITS REGISTRATION 102523

AIR NEW SOURCE PERMITS REGISTRATION 102540

AIR NEW SOURCE PERMITS REGISTRATION 102531

AIR NEW SOURCE PERMITS REGISTRATION 102511

AIR NEW SOURCE PERMITS REGISTRATION 109351

AIR NEW SOURCE PERMITS REGISTRATION 131635

AIR NEW SOURCE PERMITS REGISTRATION 118761

AIR NEW SOURCE PERMITS REGISTRATION 113654

WASTEWATER EPA ID TX0003247

WATER LICENSING LICENSE 1011570

INDUSTRIAL AND HAZARDOUS WASTE EPA ID

TXD082688979

INDUSTRIAL AND HAZARDOUS WASTE OTS REQUEST

37881

AIR EMISSIONS INVENTORY ACCOUNT NUMBER HG0048L

Compliance History Period: September 01, 2009 to August 31, 2014

Rating Year: 2014

Rating Date: 09/01/2014

Date Compliance History Report Prepared: June 03, 2015

Agency Decision Requiring Compliance History: Enforcement

Component Period Selected: June 03, 2010 to June 03, 2015

TCEQ Staff Member to Contact for Additional Information Regarding This Compliance History.

Name: Amancio R. Gutierrez

Phone: (512) 239-3921

Site and Owner/Operator History:

1) Has the site been in existence and/or operation for the full five year compliance period?

YES

2) Has there been a (known) change in ownership/operator of the site during the compliance period?

YES

3) If YES for #2, who is the current owner/operator?

Arco Pipe Line Company OWNER OPERATOR since 8/27/2003

Houston Refining LP OPERATOR since 5/8/2006

Houston Refining OWNER since 1/1/1800

Explorer Pipeline Company OWNER OPERATOR since 2/26/2015

A. J. Hurt, Jr., Incorporated OWNER since 4/1/2010

Lyondell-Citgo Refining Company Ltd. OWNER OPERATOR since 4/30/2012

Houston Refining LP OWNER OPERATOR since 1/1/1800

ARCO PETROLEUM PRODUCTS CO OWNER since 3/3/1997

A. J. Hurt, Jr., Incorporated, OWNER, 5/8/2006 to 3/31/2010

4) If YES for #2, who was/were the prior owner(s)/operator(s)?

5) If YES, when did the change(s) in owner or operator occur? 4/1/2010

Components (Multimedia) for the Site Are Listed in Sections A - J

A. Final Orders, court judgments, and consent decrees:

- 1 Effective Date: 07/11/2010 ADMINORDER 2010-0028-AIR-E (1660 Order-Agreed Order With Denial)
Classification: Moderate
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter G 116.715(a)
5C THSC Chapter 382 382.085(b)
Rqmt Prov: Special Condition 1 PERMIT
Description: Failed to comply with permitted emissions limits. Specifically, during an emissions event (Incident No. 131133) on October 24, 2009, operations personnel improperly lined up valves in the Butane Recovery Unit, causing the unauthorized release of 5,143 pounds of volatile organic compounds from a pressure safety valve (Emissions Point Number 233-UNIT) over a two minute period. Since these emissions could have been avoided by better operational practices, the emissions are not subject
- 2 Effective Date: 08/09/2010 ADMINORDER 2009-0779-AIR-E (1660 Order-Agreed Order With Denial)
Classification: Moderate
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter G 116.715(a)
5C THSC Chapter 382 382.085(b)
Rqmt Prov: Special Condition 1. PERMIT
Description: Failed to comply with permitted emissions limits. Specifically, hydrogen sulfide emissions from barge loading at the dock, Emissions Point No. ("EPN") LL19DOCKD, are limited to 7.79 pounds per hour, but those emissions reported at 11.63 pounds per hour.
Classification: Moderate
Citation: 30 TAC Chapter 101, SubChapter F 101.201(a)(1)
5C THSC Chapter 382 382.085(b)
Rqmt Prov: STC 1A OP
STC 2 OP
Description: Failed to submit an emissions event report to the State of Texas Environmental Electronic Reporting System ("STEERS") within 24 hours of a reportable emissions event (Incident No. 123442). Specifically, the event occurred on January 7 and 8, 2007, but the STEERS report was not submitted until April 27, 2009.
Classification: Moderate
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 115, SubChapter H 115.722(c)(1)
30 TAC Chapter 116, SubChapter G 116.715(a)
5C THSC Chapter 382 382.085(b)
Rqmt Prov: Special Condition 1 PERMIT
Description: Failed to comply with permitted emissions limits and the allowable site-wide hourly emissions cap for highly reactive volatile organic compounds ("HRVOC"). Specifically, during an emissions event (Incident No. 123442) on January 7 and 8, 2007, an improperly set pressure relief valve (EPN 938PSV0049) in the Paraxylene Recovery Unit released 4,500 pounds of ethylene over a 6.4 hour period
Classification: Moderate
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 115, SubChapter H 115.722(c)(1)
30 TAC Chapter 116, SubChapter G 116.715(a)
5C THSC Chapter 382 382.085(b)
Rqmt Prov: SPECIAL CONDITION 1 PERMIT
Description: Failed to comply with permitted emissions limits and the allowable site-wide hourly emissions cap for HRVOC. Specifically, during an emissions event (Incident No. 124005) on May 8, 2009, an improperly open valve and a failed level indicator caused the # 2 Debutanizer Tower (EPN 732T0007) and a pressure relief valve (EPN 732PSV0337) in the Fluid Catalytic Cracking Unit to emit 3,753 pounds of volatile organic compounds (including 2,471 pounds of HRVOC), 0.3 pound of sulfur dioxide
- 3 Effective Date: 08/09/2010 ADMINORDER 2008-1454-AIR-E (1660 Order-Agreed Order With Denial)
Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)
5C THSC Chapter 382 382.085(b)
Rqmt Prov: TCEQ Flexible Permit No. 2167, SC #1 PERMIT
Description: Failed to prevent unauthorized emissions during Incident No. 112203.
- 4 Effective Date: 10/25/2010 ADMINORDER 2009-1158-AIR-E (1660 Order-Agreed Order With Denial)
Classification: Moderate
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter G 116.715(a)
5C THSC Chapter 382 382.085(b)
Rqmt Prov: 2167 SC 1 PERMIT
Description: Failed to prevent the operator from inadvertently shutting down the Thermal Oxidizer causing an unauthorized release of emissions.
Classification: Minor
Citation: 30 TAC Chapter 101, SubChapter F 101.201(b)(1)(H)
5C THSC Chapter 382 382.085(b)
Description: Failed to include on their final report, the authorization number governing the facilities involved in the emissions event (Incident No. 124877) that occurred on May 29, 2009 in the SRU Unit.

- 5 Effective Date: 11/15/2010 ADMINORDER 2010-0641-AIR-E (Findings Order-Agreed Order Without Denial)
Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)
5C THSC Chapter 382 382.085(b)
Rqmt Prov: Special Condition 1 PERMIT
Description: Failed to prevent unauthorized emissions.
Classification: Minor
Citation: 30 TAC Chapter 101, SubChapter F 101.201(b)(1)(G)
5C THSC Chapter 382 382.085(b)
Description: Failed to identify the compound descriptive type of all compounds or mixtures of air contaminants released during Incident No. 133389 in the final record.
Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)
5C THSC Chapter 382 382.085(b)
Rqmt Prov: SPECIAL CONDITION 1 OP
Description: Failed to prevent unauthorized emissions.
- 6 Effective Date: 12/25/2010 ADMINORDER 2010-0211-AIR-E (1660 Order-Agreed Order With Denial)
Classification: Minor
Citation: 30 TAC Chapter 101, SubChapter F 101.201(a)(1)(B)
30 TAC Chapter 101, SubChapter F 101.201(b)
5C THSC Chapter 382 382.085(b)
Description: Failed to submit an initial notification and final report for Incident No. 2008-770. Specifically, Incident No. 2008-770 was discovered on November 19, 2009 and ended November 24, 2009 and neither report was received.
Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)
5C THSC Chapter 382 382.085(b)
Rqmt Prov: Special Condition 1 PERMIT
Description: Failed to prevent unauthorized emissions. Specifically, the Respondent released 12,836 pounds ("lbs") of sulfur dioxide ("SO2") and 139 lbs of hydrogen sulfide ("H2S") from the 636 Hydrodesulfurization Unit during an emissions event (Incident No. 2008-770) that began November 18, 2009 and lasted 131 hours and 10 minutes. Since the cause of this event could not be determined and it was not reported, the demonstrations in 30 Tex. Admin. Code § 101.222 necessary to present an affirmative defense
Classification: Minor
Citation: 30 TAC Chapter 101, SubChapter F 101.201(a)(1)(B)
30 TAC Chapter 101, SubChapter F 101.201(b)
5C THSC Chapter 382 382.085(b)
Description: Failed to submit an initial notification and final report for Incident No. 2009-344. Specifically, Incident No. 2009-344 was discovered on June 14, 2009 and lasted two hours and 24 minutes and neither report was received.
Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)
5C THSC Chapter 382 382.085(b)
Rqmt Prov: Special Condition 1 PERMIT
Description: Failed to prevent unauthorized emissions. Specifically, the Respondent released 3,206 lbs of SO2 and 35 lbs of H2S from the 737 Delayed Coker Unit during an avoidabl emissions event (Incident No. 2009-344) that began June 14, 2009 and lasted two hours and 24 minutes. The event was the result of an unexpected change in compressor discharge temperature. Since this emissions event could have been avoided by better operational practices and was not reported, the demonstrations in 30 Tex. Admin.
- 7 Effective Date: 03/07/2011 ADMINORDER 2010-1315-AIR-E (1660 Order-Agreed Order With Denial)
Classification: Moderate
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter G 116.715(a)
5C THSC Chapter 382 382.085(b)
Rqmt Prov: Special Condition 1 PERMIT
Description: Failed to properly replace a strainer in the 536 Crude Unit causing an emissions event (Incident No. 139853) on May 17, 2010, resulting in a fire and the release of unauthorized emissions of 1,543.92 pounds ("lbs") of sulfur dioxide, 229.03 lbs of nitrous oxides, 287.06 lbs of particulate matter, 20.99 lbs of carbon monoxide, 33.29 lbs of gas oil, and 3.11 lbs of gasoline blend stock during an emissions event lasting one hour
- 8 Effective Date: 07/31/2011 ADMINORDER 2010-2029-AIR-E (1660 Order-Agreed Order With Denial)
Classification: Moderate
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter G 116.715(a)
5C THSC Chapter 382 382.085(b)
Rqmt Prov: Special Condition 1 PERMIT
Description: Failed to prevent unauthorized emissions during an emissions event that occurred on August 15, 2010. Specifically, the Respondent released 2,475.45 pounds ("lbs") of sulfur dioxide, 185.18 lbs of nitrogen oxides, 28.39 lbs of carbon monoxide, 35.51 lbs of particulate matter, 179.71 lbs of fuel oil 6, and 265.22 lbs of diesel fuel from a ruptured tube in the furnace of 737 Coker Unit during an emissions event that lasted approximately two hours (Incident No. 143549).
- 9 Effective Date: 08/27/2011 ADMINORDER 2011-0308-AIR-E (Findings Order-Agreed Order Without Denial)

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)
5C THSC Chapter 382 382.085(b)

Rqmt Prov: Special Condition 1 PERMIT

Description: Failed to prevent unauthorized emissions, in violation of 30 TEX. ADMIN. CODE § 116.715(a), TEX. HEALTH & SAFETY CODE § 382.085(b), and Flexible Permit Nos. 2167 and PSD-TX-985, Special Conditions No. 1. Since this emissions event could have been avoided by better operational practices and was reported late, the demonstrations in 30 TEX. ADMIN. CODE § 101.222 necessary to present affirmative defense were not met.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter F 101.201(a)(1)
5C THSC Chapter 382 382.085(b)

Description: Failed to submit the initial notification for Incident No. 147093 within 24 hours after the discovery of the event.

10 Effective Date: 06/03/2013 ADMINORDER 2012-2037-IWD-E (1660 Order-Agreed Order With Denial)

Classification: Major

Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)(1)
30 TAC Chapter 305, SubChapter F 305.125(1)

Rqmt Prov: TPDES Permit PERMIT

Description: Failure to comply with permitted effluent limitations at Outfall Nos. 001 and 003, as documented during a record review conducted on August 22, 2012. Specifically, the Respondent reported zinc daily maximum effluent concentrations of 0.79 milligrams per liter ("mg/L") during October 2011 from Outfall No. 001, and 0.89 mg/L during January 2012 and 1.71 mg/L during May 2012 from Outfall No. 003 that exceeded the 0.51 mg/L permitted effluent limitations.

See addendum for information regarding federal actions.

B. Criminal convictions:

N/A

C. Chronic excessive emissions events:

N/A

D. The approval dates of investigations (CCEDS Inv. Track. No.):

Item 1	June 14, 2010	(846225)
Item 2	July 21, 2010	(860822)
Item 3	July 22, 2010	(826929)
Item 4	August 10, 2010	(790152)
Item 5	September 01, 2010	(826922)
Item 6	September 20, 2010	(873859)
Item 7	October 20, 2010	(881461)
Item 8	November 22, 2010	(887991)
Item 9	December 20, 2010	(896190)
Item 10	December 21, 2010	(873611)
Item 11	December 28, 2010	(879988)
Item 12	January 31, 2011	(892535)
Item 13	March 01, 2011	(899493)
Item 14	March 21, 2011	(916300)
Item 15	April 18, 2011	(912871)
Item 16	April 20, 2011	(924727)
Item 17	April 25, 2011	(912179)
Item 18	May 20, 2011	(937981)
Item 19	June 20, 2011	(945305)
Item 20	June 30, 2011	(921626)
Item 21	July 18, 2011	(952580)
Item 22	August 18, 2011	(959262)
Item 23	August 22, 2011	(936293)
Item 24	September 06, 2011	(943156)
Item 25	September 12, 2011	(951953)
Item 26	September 19, 2011	(965291)
Item 27	October 04, 2011	(958258)
Item 28	October 25, 2011	(958441)
Item 29	October 28, 2011	(971334)
Item 30	November 04, 2011	(962637)
Item 31	January 05, 2012	(990559)
Item 32	January 18, 2012	(990560)
Item 33	March 22, 2012	(1003444)
Item 34	April 23, 2012	(1010008)
Item 35	May 22, 2012	(1016404)
Item 36	July 09, 2012	(1006480)
Item 37	July 20, 2012	(1031520)
Item 38	August 06, 2012	(1022505)
Item 39	August 20, 2012	(1037895)
Item 40	September 05, 2012	(1029689)

Item 41	September 20, 2012	(1046619)
Item 42	October 22, 2012	(1060728)
Item 43	November 19, 2012	(1060729)
Item 44	December 21, 2012	(1060730)
Item 45	January 22, 2013	(1078877)
Item 46	February 22, 2013	(1078876)
Item 47	March 18, 2013	(1089262)
Item 48	April 18, 2013	(1095656)
Item 49	May 20, 2013	(1106581)
Item 50	June 19, 2013	(1117140)
Item 51	June 24, 2013	(1110257)
Item 52	August 13, 2013	(1103417)
Item 53	August 16, 2013	(1105160)
Item 54	August 20, 2013	(1124896)
Item 55	September 24, 2013	(1129498)
Item 56	November 13, 2013	(1135227)
Item 57	November 21, 2013	(1140627)
Item 58	December 17, 2013	(1147084)
Item 59	January 27, 2014	(1153154)
Item 60	February 24, 2014	(1160490)
Item 61	March 21, 2014	(1167135)
Item 62	April 02, 2014	(1102104)
Item 63	April 15, 2014	(1174268)
Item 64	April 24, 2014	(1160240)
Item 65	April 29, 2014	(1152703)
Item 66	May 16, 2014	(1180456)
Item 67	June 23, 2014	(1187353)
Item 68	July 10, 2014	(1164888)
Item 69	July 15, 2014	(1198457)
Item 70	August 18, 2014	(1198458)
Item 71	September 18, 2014	(1205759)
Item 72	October 15, 2014	(1193113)
Item 73	October 22, 2014	(1186528)
Item 74	October 29, 2014	(1203066)
Item 75	November 06, 2014	(1197082)
Item 76	November 18, 2014	(1218422)
Item 77	December 16, 2014	(1224202)
Item 78	January 22, 2015	(1230730)
Item 79	February 25, 2015	(1242238)
Item 80	March 17, 2015	(1229900)
Item 81	May 08, 2015	(1204518)
Item 82	May 12, 2015	(1241903)
Item 83	May 15, 2015	(1221516)
Item 84	June 02, 2015	(1248264)

E. Written notices of violations (NOV) (CCEDS Inv. Track. No.):

A notice of violation represents a written allegation of a violation of a specific regulatory requirement from the commission to a regulated entity. A notice of violation is not a final enforcement action, nor proof that a violation has actually occurred.

1	Date:	08/19/2014	(1172266)	CN601313083
	Self Report?	NO		Classification: Moderate
	Citation:	30 TAC Chapter 122, SubChapter B 122.143(4) 40 CFR Chapter 63, SubChapter C, PT 63, SubPT AA 63.646(a) 40 CFR Chapter 63, SubChapter C, PT 63, SubPT G 63.120(b)(8) 5C THSC Chapter 382 382.085(b) O1372, Special Terms and Conditions 1A OP		
	Description:	Failure to complete repairs to Tank 892 and Tank 893 within the time frame		
	Self Report?	NO		Classification: Minor
	Citation:	2167, Special Condition 36 PERMIT 30 TAC Chapter 116, SubChapter B 116.115(c) 30 TAC Chapter 122, SubChapter B 122.143(4) 5C THSC Chapter 382 382.085(b) O1372, Special Terms and Conditions 26 OP		
	Description:	Failure to maintain the hourly SO2 concentration below 235 ppmvd at the Tail Gas Thermal Oxidizers (EPNs 435F1402 and 440F2002)		
	Self Report?	NO		Classification: Minor
	Citation:	2167, Special Condition 25 PERMIT 30 TAC Chapter 116, SubChapter B 116.115(c) 30 TAC Chapter 122, SubChapter B 122.143(4) 40 CFR Chapter 60, SubChapter C, PT 60, SubPT J 60.104(a)(1) 5C THSC Chapter 382 382.085(b) O1372, ST&C 1A and 26 OP		
	Description:	Failure to maintain the 3-hr rolling average H2S concentration below 160 ppmvd at the Fuel Gas Mixing Pot (EPN 338D0408)		
	Self Report?	NO		Classification: Minor
	Citation:	30 TAC Chapter 122, SubChapter B 122.143(4)		

40 CFR Chapter 60, SubChapter C, PT 60, SubPT J 60.103(a)
5C THSC Chapter 382 382.085(b)
O1372, ST&C 1A OP

Description: Failure to maintain the hourly CO concentration below 500 ppm at the FCCU Regen/ CO Boiler/ Wet Gas Scrubber (EPN 732D0063)

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 115, SubChapter H 115.725(d)(1)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
O1372, ST&C 1A OP

Description: Failure to continuously monitor No. 3 Plant Flare and No. 4 Plant Flare (EPNs 338K0007 and 338K0008)

Self Report? NO Classification: Minor

Citation: 2167, Special Condition 14E PERMIT
30 TAC Chapter 115, SubChapter D 115.354(3)
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
O1372, ST&C 1A and 26 OP

Description: Failure to conduct a weekly audio visual olfactory (AVO) inspection on connectors in the 736 Coker Unit

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 117, SubChapter B 117.310(c)(1)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
O1372, ST&C 1A OP

Description: Failure to maintain the 24-hour CO concentration below 400 ppmv at the 737 F-1 Heater on October 12 and 13, 2012 and at the 536-F2 Heater from March 24, 2013 to March 28, 2013

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 115, SubChapter C 115.244
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
O1372, ST&C 6B OP

Description: Failure to conduct daily inspections on March 24, 2013 on the vapor recovery systems for the motor vehicle fuel dispensing facility subject to Stage II control

Self Report? NO Classification: Minor

Citation: 2167, SC 14H PERMIT
30 TAC Chapter 115, SubChapter D 115.352(2)
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
O1372, ST&C 1A and 26 OP

Description: Failure to repair a leaking valve within the 15-day timeframe

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT QQQ 60.697(h)
5C THSC Chapter 382 382.085(b)
O1372, ST&C 1A OP

Description: Allowing process water to come into contact with stormwater when 537 P-26A/B sump pumps were not lined up correctly

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 115, SubChapter H 115.725(d)(4)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
O1372, ST&C 1A OP

Description: Failure to collect and analyze daily samples on the Houston Street Flare on June 23 and 24, 2013 and on the 736 Coker Flare on June 7 through 9, 2013 during a period of HRVOC analyzer failures

Self Report? NO Classification: Minor

Citation: 1372, ST&C 1A and 26 OP
2167, SC 14H PERMIT
30 TAC Chapter 115, SubChapter D 115.352(2)
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-2(c)(1)
5C THSC Chapter 382 382.085(b)

Description: Failure to repair a leaking pump within the 15-day timeframe

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 115, SubChapter H 115.764(a)(2)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
O1372, ST&C 1A OP

Description: Failure to collect and analyze samples on the 635 Cooling Tower during the downtime between August 16 and 28, 2012

Self Report? NO Classification: Minor
Citation: 2167, SC 24 PERMIT
30 TAC Chapter 115, SubChapter H 115.764(a)(6)
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
O1372, SC& C 1A and 26 OP
Description: Missed initial quality assurance of El Paso Stripper meters (water flow, air flow, and temperature) on the 635 Cooling Tower

Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 61, SubChapter C, PT 61, SubPT FF 61.354(d)
5C THSC Chapter 382 382.085(b)
O1372, ST&C 1A OP
Description: Failure to complete the scheduled weekly inspections on Carbon Canisters #2, #3, and #4 on October 4, 2012

Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT J 60.104(a)(2)(i)
5C THSC Chapter 382 382.085(b)
O1372, ST&C 1A OP
Description: Failure to maintain SO2 concentration below the 12-hour rolling average NSPS Subpart J limit of 250 ppmv at the 435 and 440 Tail Gas Thermal Oxidizers (EPNs 435F1402 and 440F2002)

Self Report? NO Classification: Minor
Citation: 2167, SC 31 PERMIT
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
O1372, ST&C 26 OP
Description: Failure to maintain CO concentration below the hourly permit limit of 100 ppmv on October 20 and 21, 2012 at the 435 Thermal Oxidizer (EPN 435F1402)

Self Report? NO Classification: Minor
Citation: 2167, SC 59B PERMIT
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
O1372, ST&C 26 OP
Description: Failure to begin degassing the vapor space under the landed floating roof of Tank 133TK0885 within 24 hours after the tank has been drained on October 31, 2012

Self Report? NO Classification: Minor
Citation: 2167, SC 1 PERMIT
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
O1372, ST&C 26 OP
Description: Failure to maintain H2S emissions below the permit hourly emission limit of 20.72 lbs/hr when maintenance work was performed at the 230 Gas Plant, resulting in a flaring event at the No. 1 Plant Flare (EPN 338K0001) on November 6 and 7, 2012

Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 115, SubChapter H 115.764(a)(3)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
O1372, ST&C 1A OP
Description: Failure to maintain the uptime above 95% for the HRVOC GC analyzer on the 635 Cooling Tower for calendar year 2012

2

Date: 02/26/2015 (1192965) CN601313083
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
FOP ST&C 26 OP
NSR SC 31 PERMIT
Description: Failure to maintain the one hour average carbon monoxide concentration of the Tail Gas Thermal Oxidizer (EPN 435F1402) no greater than 100 ppmvd. (Category C4)

Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 115, SubChapter H 115.725(d)(4)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
FOP ST&C 1A OP
Description: Failure to take samples within 10 hours of the start of HRVOC analyzer

downtimes. (Category C1)

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 115, SubChapter H 115.725(d)(3)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
FOP ST&C 1A OP

Description: Failure to continuously operate the Houston Street Flare (EPN 338K0005) HRVOC analyzer at least 95% of the time the flare was operational for the 2013 calendar year. (Category B1)

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 115, SubChapter D 115.352(1)
30 TAC Chapter 115, SubChapter H 115.782(b)(2)
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-2(c)(1)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-7(d)(1)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-8(c)(1)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT AA 63.648(a)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.163(c)(1)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.168(f)(1)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.174(d)
5C THSC Chapter 382 382.085(b)
FOP ST&C 1A and 26 OP
NSR SC 14H PERMIT

Description: Failure to repair leaking components within 15 days. (Category C4)

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-8(a)(1)
5C THSC Chapter 382 382.085(b)
FOP ST&C 1A OP

Description: Failure to monitor a leaking connector within 5 days of the discovery of the leak. (Category C1)

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 115, SubChapter C 115.221
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
FOP ST&C 6A(i) OP

Description: Failure to control vapors while transferring gasoline from a tank-truck into a stationary storage container. (Category B14)

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Part 60, Subpart QQQ 60.692-2(a)(1)
5C THSC Chapter 382 382.085(b)
FOP ST&C 1A OP

Description: Failure to equip refinery wastewater drains with water seal controls. (Category B19.g.(1))

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 115, SubChapter H 115.764(d)
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
FOP ST&C 1A and 26 OP
NSR SC 24 PERMIT

Description: Failure to sample the cooling water for EPNs 536CT3701 and 430CT3791. (Category C1)

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 115, SubChapter D 115.354(2)(B)
30 TAC Chapter 115, SubChapter H 115.781(b)
30 TAC Chapter 115, SubChapter H 115.781(c)(1)
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-2(a)(1)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT AA 63.648(a)
5C THSC Chapter 382 382.085(b)
FOP ST&C 1A OP

Description: Failure to conduct weekly visual inspections and monthly monitoring of eight pumps. (Category C1)

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 115, SubChapter D 115.356(2)(E)
30 TAC Chapter 115, SubChapter H 115.786(e)
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.486(c)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT CC 63.655(d)(1)

40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.181(d)
 5C THSC Chapter 382 382.085(b)
 FOP ST&C 1A and 26 OP
 NSR SC 14K PERMIT

Description: Failure to maintain complete records of repaired components. (Category C3)
 Self Report? NO Classification: Minor
 Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
 40 CFR Chapter 61, SubChapter C, PT 61, SubPT FF 61.356(b)
 5C THSC Chapter 382 382.085(b)
 FOP ST&C 13J OP

Description: Failure to maintain records identifying the waste stream information for instrument maintenance activities. (Category C3)
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
 40 CFR Chapter 61, SubChapter C, PT 61, SubPT FF 61.345(a)(1)(i)
 40 CFR Chapter 61, SubChapter C, PT 61, SubPT FF 61.345(b)
 5C THSC Chapter 382 382.085(b)
 FOP ST&C 14A OP

Description: Failure to conduct initial and quarterly inspections on totes managing waste streams containing benzene. (Category B1)
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT QQQ 60.692-2(a)(2)
 5C THSC Chapter 382 382.085(b)
 FOP ST&C 10B OP

Description: Failure to conduct visual or physical inspections of refinery wastewater system drains. (Category B1)
 Self Report? NO Classification: Minor
 Citation: 30 TAC Chapter 115, SubChapter D 115.352(4)
 30 TAC Chapter 115, SubChapter H 115.783(5)
 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-6(a)(1)
 40 CFR Chapter 63, SubChapter C, PT 63, SubPT AA 63.648(a)
 5C THSC Chapter 382 382.085(b)
 FOP ST&C 1A and 26 OP
 NSR SC 14E and 58A PERMIT

Description: Failure to prevent open-ended lines following the removal of a component for repair. (Category C10)
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-7(a)(1)
 40 CFR Chapter 63, SubChapter C, PT 63, SubPT AA 63.648(a)
 5C THSC Chapter 382 382.085(b)
 FOP ST&C 1A OP

Description: Failure to monitor valves in gas/vapor or light liquid service monthly. (Category B19.g.(9))

F. Environmental audits:

Notice of Intent Date: 06/14/2010 (791229)
 Disclosure Date: 01/28/2011
 Viol. Classification: Minor
 Citation: 30 TAC Chapter 115, SubChapter H 115.782(b)(1)
 Description: Failed to have a record of a first attempt at repair that occurred within one business day for three HRVOC components found leaking on 9/2/10 (Tag. Nos. 3173, 116728, and 305923).
 Viol. Classification: Minor
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 Rqmt Prov: PERMIT SC 14
 Description: Components were discovered in the South tank farm that were not adequately tagged, recorded in the LDAR database, and not monitored.
 Viol. Classification: Minor
 Citation: 40 CFR Chapter 61, SubChapter C, PT 61, SubPT FF 61.345(a)(1)(i)
 Description: Failed to conduct initial and annual Method 21 sampling as required by NESHAP FF..
 Viol. Classification: Minor
 Citation: 40 CFR Chapter 273, SubChapter I, PT 273, SubPT C 273.34
 40 CFR Chapter 279, SubChapter I, PT 279, SubPT C 279.22(c)(1)
 Description: Failed to have labeling done properly according to RCRA requirements as waste batteries were not labeled properly, and containers used to store used oil were not all labeled or marked clearly with the words "Used Oil"
 Viol. Classification: Minor
 Citation: 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.486(c)(1)
 Description: Records of analyzer ID and Operator ID are missing for 9 monitoring events for which leaks were detected under Refinery MACT and for 1,455 monitoring events for compliance with Chap. 115 HRVOC rules.

Notice of Intent Date: 10/30/2012 (1056332)
No DOV Associated

Notice of Intent Date: 09/11/2013 (1132426)
No DOV Associated

G. Type of environmental management systems (EMSs):

N/A

H. Voluntary on-site compliance assessment dates:

N/A

I. Participation in a voluntary pollution reduction program:

N/A

J. Early compliance:

N/A

Sites Outside of Texas:

N/A

Addendum to Compliance History Federal Enforcement Actions

Reg Entity Name: **HOUSTON REFINING**

Reg Entity Add: 12000 LAWNDAL AVENUE

Reg Entity City: HOUSTON

Reg Entity No: RN100218130

EPA Case No: **06-2009-3406**

Order Issue Date (yyyymmdd): 20100423

Case Result:

Statute: CAA

Sect of Statute: 110

Classification: Moderate

Program: Nonattainment/SIP Provi

Citation:

Violation Type: New Source Review

Cite Sect:

Cite Part:

Enforcement Action: Concerent Decree/Court Order

Reg Entity Name: **HOUSTON REFINING, L.P.**

Reg Entity Add: 2000 LAWNDAL AVENUE

Reg Entity City: HOUSTON

Reg Entity No: RN100218130

EPA Case No: **06-2013-1784**

Order Issue Date (yyyymmdd): 20130411

Case Result: Unilateral Administrative O

Statute: CWA

Sect of Statute: 301/402

Classification: Minor

Program: NPDES - Base Program

Citation:

Violation Type: Violation of a Permit
Requirement

Cite Sect:

Cite Part:

Enforcement Action: Administrative Compliance Order

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



**IN THE MATTER OF AN
ENFORCEMENT ACTION
CONCERNING
HOUSTON REFINING LP
RN100218130**

**§ BEFORE THE
§
§ TEXAS COMMISSION ON
§
§ ENVIRONMENTAL QUALITY**

AGREED ORDER DOCKET NO. 2015-0838-AIR-E

At its _____ agenda, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding Houston Refining LP ("Respondent") under the authority of TEX. HEALTH & SAFETY CODE ch. 382 and TEX. WATER CODE ch. 7. The Executive Director of the TCEQ, through the Enforcement Division, and the Respondent presented this agreement to the Commission.

The Respondent understands that it has certain procedural rights at certain points in the enforcement process, including, but not limited to, the right to formal notice of violations, notice of an evidentiary hearing, the right to an evidentiary hearing, and a right to appeal. By entering into this Agreed Order, the Respondent agrees to waive all notice and procedural rights.

It is further understood and agreed that this Order represents the complete and fully-integrated settlement of the parties. The provisions of this Agreed Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Agreed Order unenforceable, the remaining provisions shall be valid and enforceable. The duties and responsibilities imposed by this Agreed Order are binding upon the Respondent.

The Commission makes the following Findings of Fact and Conclusions of Law:

I. FINDINGS OF FACT

1. The Respondent owns and operates a petroleum refining plant located at 12000 Lawndale Street in Houston, Harris County, Texas (the "Plant").

2. The Plant consists of one or more sources as defined in TEX. HEALTH & SAFETY CODE § 382.003(12).
3. During a record review conducted on November 13, 2014, TCEQ staff documented that the Respondent released 104,940 pounds ("lbs") of sulfur dioxide, 1,139 lbs of hydrogen sulfide, 130 lbs of nitrogen oxides, 661 lbs of carbon monoxide, 12 lbs of ethylene, 15 lbs of propylene, 11 lbs of butene, and 119 lbs of volatile organic compounds from the No. 1 Plant Flare, Emission Point No. 338K0001, during an emissions event (Incident No. 202406) that began on August 12, 2014 and lasted 82 hours. The emissions event occurred due to the malfunction of the 436PV0501 release regulator on the 436 Diethanolamine Phase Separator that allowed untreated gas to be released directly into the No. 1 Plant Flare header, resulting in flaring. TCEQ staff determined that this event was an excessive emissions event.
4. The Respondent received notice of the violations on May 21, 2015.

II. CONCLUSIONS OF LAW

1. The Respondent is subject to the jurisdiction of the TCEQ pursuant to TEX. HEALTH & SAFETY CODE ch. 382, TEX. WATER CODE ch. 7, and the rules of the Commission.
2. As evidenced by Findings of Fact No. 3, the Respondent failed to prevent unauthorized emissions, in violation of 30 TEX. ADMIN. CODE §§ 101.20(3), 116.715(a), and 122.143(4), TEX. HEALTH & SAFETY CODE § 382.085(b), Federal Operating Permit No. O1372, Special Terms and Conditions No. 26, and Flexible Permit Nos. 2167 and PSDTX985, Special Conditions No. 1. The emissions event was determined to be an excessive emissions event.
3. Pursuant to TEX. WATER CODE § 7.051, the Commission has the authority to assess an administrative penalty against the Respondent for violations of the Texas Water Code and the Texas Health and Safety Code within the Commission's jurisdiction; for violations of rules adopted under such statutes; or for violations of orders or permits issued under such statutes.
4. An administrative penalty in the amount of One Hundred Thousand Dollars (\$100,000) is justified by the facts recited in this Agreed Order, and considered in light of the factors set forth in TEX. WATER CODE § 7.053. The Respondent has paid Fifty Thousand Dollars (\$50,000) of the administrative penalty and Fifty Thousand Dollars (\$50,000) shall be conditionally offset by the Respondent's completion of a Supplemental Environmental Project ("SEP").

III. ORDERING PROVISIONS

NOW, THEREFORE, THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY ORDERS that:

1. The Respondent is assessed an administrative penalty in the amount of One Hundred Thousand Dollars (\$100,000) as set forth in Section II, Paragraph 4 above, for violations of TCEQ rules and state statutes. The payment of this administrative penalty and the Respondent's compliance with all the terms and conditions set forth in this Agreed Order completely resolve the violations set forth by this Agreed Order in this action. However, the Commission shall not be constrained in any manner from requiring corrective actions or penalties for other violations that are not raised here. Administrative penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: Houston Refining LP, Docket No. 2015-0838-AIR-E" to:

Financial Administration Division, Revenue Operations Section
Attention: Cashier's Office, MC 214
Texas Commission on Environmental Quality
P.O. Box 13088
Austin, Texas 78711-3088

2. The Respondent shall implement and complete a SEP in accordance with TEX. WATER CODE § 7.067. As set forth in Section II, Paragraph 4 above, Fifty Thousand Dollars (\$50,000) of the assessed administrative penalty shall be offset with the condition that the SEP defined in Attachment A, incorporated herein by reference, is implemented by the Respondent. The Respondent's obligation to pay the conditionally offset portion of the assessed administrative penalty shall be discharged upon final completion of all provisions of the SEP agreement.
3. The Respondent shall undertake the following technical requirements:
 - a. Within 30 days after the effective date of this Agreed Order, submit a corrective action plan ("CAP") in accordance with the TCEQ letter dated May 15, 2015 to address the excessive emissions event that occurred on August 12, 2014 (Incident No. 202406);
 - b. Respond completely and adequately, as determined by the executive director, to all written requests for information concerning the CAP within 15 days after the date of such requests, or by any other deadline specified in writing;
 - c. Within 45 days after the effective date of this Agreed Order, submit written certification to demonstrate compliance with Ordering Provision No. 3.a., as described in Ordering Provision No. 3.e. below;
 - d. Upon Commission approval, implement the CAP in accordance with the approved schedule; and

- e. Within 15 days upon completion of the CAP implementation, submit written certification to demonstrate compliance with Ordering Provision No. 3.d., as described below, and include detailed supporting documentation including photographs, receipts, and/or other records. The certification shall be notarized by a State of Texas Notary Public and include the following certification language:

"I certify under penalty of law that I have personally examined and am familiar with the information submitted and all attached documents, and that based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the submitted information is true, accurate and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fines and imprisonment for knowing violations."

The certification shall be submitted to:

Order Compliance Team
Enforcement Division, MC 149A
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

with a copy to:

Air Section Manager
Houston Regional Office
Texas Commission on Environmental Quality
5425 Polk Avenue, Suite H
Houston, Texas 77023-1486

4. The provisions of this Agreed Order shall apply to and be binding upon the Respondent. The Respondent is ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the Plant operations referenced in this Agreed Order.
5. If the Respondent fails to comply with any of the Ordering Provisions in this Agreed Order within the prescribed schedules, and that failure is caused solely by an act of God, war, strike, riot, or other catastrophe, the Respondent's failure to comply is not a violation of this Agreed Order. The Respondent shall have the burden of establishing to the Executive Director's satisfaction that such an event has occurred. The Respondent shall notify the Executive Director within seven days after the Respondent becomes aware of a delaying event and shall take all reasonable measures to mitigate and minimize any delay.
6. The Executive Director may grant an extension of any deadline in this Agreed Order or in any plan, report, or other document submitted pursuant to this Agreed Order, upon a

written and substantiated showing of good cause. All requests for extensions by the Respondent shall be made in writing to the Executive Director. Extensions are not effective until the Respondent receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director.

7. The Executive Director may refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings without notice to the Respondent if the Executive Director determines that the Respondent has not complied with one or more of the terms or conditions in this Agreed Order.
8. This Agreed Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Agreed Order, whichever is later.
9. This Agreed Order, issued by the Commission, shall not be admissible against the Respondent in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Agreed Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.
10. This Agreed Order may be executed in separate and multiple counterparts, which together shall constitute a single instrument. Any page of this Agreed Order may be copied, scanned, digitized, converted to electronic portable document format ("pdf"), or otherwise reproduced and may be transmitted by digital or electronic transmission, including but not limited to facsimile transmission and electronic mail. Any signature affixed to this Agreed Order shall constitute an original signature for all purposes and may be used, filed, substituted, or issued for any purpose for which an original signature could be used. The term "signature" shall include manual signatures and true and accurate reproductions of manual signatures created, executed, endorsed, adopted, or authorized by the person or persons to whom the signatures are attributable. Signatures may be copied or reproduced digitally, electronically, by photocopying, engraving, imprinting, lithographing, electronic mail, facsimile transmission, stamping, or any other means or process which the Executive Director deems acceptable. In this paragraph exclusively, the terms "electronic transmission", "owner", "person", "writing", and "written" shall have the meanings assigned to them under TEX. BUS. ORG. CODE § 1.002.
11. Pursuant to 30 TEX. ADMIN. CODE § 70.10(b) and TEX. GOV'T CODE § 2001.142, the effective date of this Order is the date it is signed by the Commission or the Executive Director. A copy of this fully executed Order shall be provided to each of the parties.

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission


For the Executive Director

10/30/15
Date

I, the undersigned, have read and understand the attached Agreed Order in the matter of Houston Refining LP. I am authorized to agree to the attached Agreed Order on behalf of Houston Refining LP, and do agree to the specified terms and conditions. I further acknowledge that the TCEQ, in accepting payment for the penalty amount, is materially relying on such representation.

I understand that by entering into this Agreed Order, Houston Refining LP waives certain procedural rights, including, but not limited to, the right to formal notice of violations addressed by this Agreed Order, notice of an evidentiary hearing, the right to an evidentiary hearing, and the right to appeal. I agree to the terms of the Agreed Order in lieu of an evidentiary hearing. This Agreed Order constitutes full and final adjudication by the Commission of the violations set forth in this Agreed Order.

I also understand that failure to comply with the Ordering Provisions, if any, in this order and/or failure to timely pay the penalty amount, may result in:

- A negative impact on compliance history;
- Greater scrutiny of any permit applications submitted;
- Referral of this case to the Attorney General's Office for contempt, injunctive relief, additional penalties, and/or attorney fees, or to a collection agency;
- Increased penalties in any future enforcement actions;
- Automatic referral to the Attorney General's Office of any future enforcement actions; and
- TCEQ seeking other relief as authorized by law.

In addition, any falsification of any compliance documents may result in criminal prosecution.


Signature

8/26/15
Date

Greg Neumann
Name (Printed or typed)
Authorized Representative of
Houston Refining LP

Refinery Manager
Title

Instructions: Send the original, signed Agreed Order with penalty payment to the Financial Administration Division, Revenue Operations Section at the address in Section III, Paragraph 1 of this Agreed Order.

Attachment A
Docket Number: 2015-0838-AIR-E
SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent:	Houston Refining LP
Penalty Amount:	One Hundred Thousand Dollars (\$100,000)
SEP Offset Amount:	Fifty Thousand Dollars (\$50,000)
Type of SEP:	Contribution to a Third-Party Pre-Approved SEP
Third-Party Administrator:	Texas City Independent School District
Project Name:	<i>TCISD Alternative Fuel School Bus Program</i>
Location of SEP:	Houston-Galveston Airshed

The Texas Commission on Environmental Quality (“TCEQ”) agrees to offset a portion of the administrative penalty amount assessed in this Agreed Order for the Respondent to contribute to a Supplemental Environmental Project (“SEP”). The offset is equal to the SEP Offset Amount set forth above and is conditioned upon completion of the project in accordance with the terms of this Attachment A.

1. Project Description

a. Project

The Respondent shall contribute the SEP Offset Amount to the Third-Party Administrator named above. The contribution will be to the **Texas City Independent School District** for the *TCISD Alternative Fuel School Bus Program* project. The contribution will be used in accordance with the SEP between the Third-Party Administrator and the TCEQ (the “Project”). Specifically, the SEP Offset Amount will be used to purchase lower-emission propane fueled school buses that are model year 2010 or newer (“Replacement Bus(es)”) to replace buses currently in the fleet that are model year 2006 or older (“Older Bus(es)”). The Older Buses will then be decommissioned, thus permanently removing them from the roads. The SEP Offset Amount shall only be used for the purchase of a base model propane fueled Replacement Bus. The Third-Party Administrator shall own and operate each Replacement Bus for at least five years following the date of purchase.

The Third-Party Administrator shall give preference to replacing the oldest, most polluting buses within its fleet. Only Older Buses that are currently in regular use, driven on a regular route on a weekly basis for at least the past two years are eligible for replacement.

The Third-Party Administrator shall ensure that each Replacement Bus purchased has an engine that meets the Environmental Protection Agency’s 2010 emissions standards. Additionally, all Older Buses that are replaced shall be fully decommissioned as required

in the SEP Vehicle Disposition Form. All funds received for the scrap value of the Older Bus shall be deposited into the SEP Account and become part of the SEP. The SEP will be done in accordance with all federal, state, and local environmental laws and regulations.

All dollars contributed will be used solely for the direct cost of implementing the Project, including, but not limited to supplies, materials, and equipment. Any portion of this contribution that is not spent on the specifically identified SEP may, at the discretion of the Executive Director ("ED"), be applied to another pre-approved SEP.

The Respondent's signature affixed to this Agreed Order certifies that the Respondent has no prior commitment to make this contribution and that it is being contributed solely in an effort to settle this enforcement action. The Respondent shall not profit in any manner from this SEP.

b. Environmental Benefit

The Project will directly benefit air quality in Third-Party Administrator's region by reducing harmful exhaust emissions from older school buses by replacing them with lower-emission propane buses. Older school bus engines emit greater amounts of harmful pollutants such as nitrous oxides, particulate matter, volatile organic compounds, and carbon monoxide than newer, lower-emission buses. These pollutants contribute to the formation of ground level ozone which damages vegetation and ecosystems and may cause or exacerbate a number of respiratory diseases, including asthma, especially in children.

c. Minimum Expenditure

The Respondent shall contribute at least the SEP Offset Amount to the Third-Party Administrator and comply with all other provisions of this SEP.

2. Performance Schedule

Within 30 days after the effective date of this Agreed Order, the Respondent must contribute the SEP Offset Amount to the Third-Party Administrator. The Respondent shall make the check payable to **Texas City Independent School District SEP** and shall mail the contribution with a copy of the Agreed Order to:

Texas City Independent School District SEP
Attention: John Johnson, Consultant
2901 Turtle Creek Drive, Suite 445
Port Arthur, Texas 77642

3. Records and Reporting

Concurrent with the payment of the SEP Offset Amount, the Respondent shall provide the Enforcement SEP Coordinator with a copy of the check and transmittal letter indicating full payment of the SEP Offset Amount to the Third-Party Administrator. The Respondent shall mail a copy of the check and transmittal letter to:

Texas Commission on Environmental Quality
Enforcement Division
Attention: SEP Coordinator, MC 219
P.O. Box 13087
Austin, Texas 78711-3087

4. Failure to Fully Perform

If the Respondent does not perform its obligations under this Attachment A, including full expenditure of the SEP Offset Amount and submittal of the required reporting described in Sections 2 and 3 above, the ED may require immediate payment of all or part of the SEP Offset Amount.

In the event the ED determines that the Respondent failed to fully implement and complete the Project, the Respondent shall remit payment for all or a portion of the SEP Offset Amount, as determined by the ED, and as set forth in the attached Agreed Order. After receiving notice of failure to complete the SEP, the Respondent shall include the docket number of the attached Agreed Order and a note that the enclosed payment is for the reimbursement of a SEP, shall make the check payable to "Texas Commission on Environmental Quality", and shall mail it to:

Texas Commission on Environmental Quality
Litigation Division
Attention: SEP Coordinator, MC 175
P.O. Box 13087
Austin, Texas 78711-3087

5. Publicity

Any public statements concerning this SEP and/or project, made by or on behalf of the Respondent must include a clear statement that **the project was performed as part of the settlement of an enforcement action brought by the TCEQ**. Such statements include advertising, public relations, and press releases.

6. Recognition

The Respondent may not seek recognition for this contribution in any other state or federal regulatory program.

7. Other SEPs by TCEQ or Other Agencies

The SEP Offset Amount identified in this Attachment A and in the attached Agreed Order has not been, and shall not be, included as a SEP for the Respondent under any other Agreed Order negotiated with the TCEQ or any other agency of the state or federal government.